



Federal Tax Credits for Energy Efficient Homes: 2001 Update

Bill Prindle

Director, Buildings and Utilities
Programs

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Background

- 1997--Climate Change Technology Initiative
- 1999--Initial homes tax credit bill--Rep. Thomas
- 2000--New tax credit bill--Senator Smith
- 2001--Multiple bills
 - Senate: Smith, Murkowski, Bingaman
 - House: Cunningham, Inslee, Weller, Matsui



Key Issues for New Homes Credits

- Who gets the credit: builder or buyer
- Qualifying level: 30% or 50% beyond IECC
- Amount of credit: \$750-2000 for 30%;
\$2000-\$2500 for 50%
- Certification: detailed rules for
qualification, and for who can perform
certification; emphasis on HERS guidelines
and providers key issues



2001 House Bills

Cunningham	Matsui	Weller
\$750 for 30% \$2000 for 50%	\$1500 for 30% \$2500 for 50%	\$2000 for 30%
Credit to buyer	Credit to builder	Credit to builder
DOE rules for cert based on CA code manual and HERS plus prescriptive packages	Similar to Cunningham, but less specific on key details	Least specific on rules, but does include HERS guidelines and HERS providers



2001 House Bills

- HR 2511 introduced July 17 by Ways and Means Chairman Bill Thomas
- Covers efficiency and renewables, reliability and production
- Efficiency covers vehicles, appliances, new homes, existing homes, CHP, and utility smart meter devices
- New homes credits based on Weller bill



HR 2511:

Recommended Changes

- Include an IECC + 50% credit
- Reduce 30% credit amount--half or less of 50% credit
- Include Cunningham language on certification

Senate-House Bill Comparisons

- Smith bill similar to
- Cunningham
- Bingaman bill similar to
- Matsui
- Murkowski bill similar to
- Weller

Key Issue: Existing Homes

- HR 2511 includes existing homes
- Offers 20% of cost up to \$2000 for envelope improvements based on IECC criteria
- Alternatives discussed include 30% and 50% improvement from existing condition based on HERS guidelines
- A coalition effort could provide huge benefits in energy savings and HERS usage